

CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
RESOLUTION NO. 07- 50

A RESOLUTION ESTABLISHING SANITARY SEWER REIMBURSEMENT DISTRICT NO. 44 (SW CHERRY DRIVE)

WHEREAS, the City has initiated the Neighborhood Sewer Extension Program to extend public sewers and recover costs through Reimbursement Districts in accordance with TMC Chapter 13.09; and

WHEREAS, the property owners of proposed Sanitary Sewer Reimbursement District No. 44 (SW Cherry Drive) have been notified of a public hearing in accordance with TMC 13.09.060 and a public hearing was conducted in accordance with TMC 13.09.050; and

WHEREAS, the City Engineer has submitted a report describing the improvements, the area to be included in the Reimbursement District, the estimated costs, a method for spreading the cost among the parcels within the District, and a recommendation for an annual fee adjustment; and

WHEREAS, the City Council has determined that the formation of a Reimbursement District as recommended by the City Engineer is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: The City Engineer's report titled "Sanitary Sewer Reimbursement District No. 44," attached hereto as Exhibit A, is hereby approved.

SECTION 2: A Reimbursement District is hereby established in accordance with TMC Chapter 13.09. The District shall be the area shown and described in Exhibit B. The District shall be known as "Sanitary Sewer Reimbursement District No. 44."

SECTION 3: Payment of the reimbursement fee, as shown in Exhibit A, is a precondition of receiving City permits applicable to development of each parcel within the Reimbursement District as provided for in TMC 13.09.110.

SECTION 4: An annual fee adjustment, at a rate recommended by the Finance Director, shall be applied to the Reimbursement Fee.

SECTION 5: The City Recorder shall cause a copy of this resolution to be filed in the office of the County Recorder and shall mail a copy of this resolution to all affected property owners at their last known address, in accordance with TMC 13.09.090.

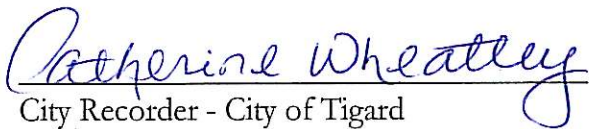
SECTION 6: This resolution is effective immediately upon passage.

PASSED: This 24th day of July 2007.



Mayor - City of Tigard

ATTEST:

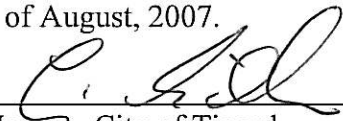


City Recorder - City of Tigard

Tigard City Council hereby readopts Resolution No. 07-50 as amended by Council motion on July 24, 2007 and the subsequent review of the amended Exhibits A and B and receipt of public testimony on these amendments on August 28, 2007.

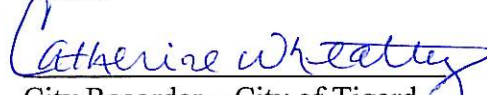
This Resolution is effective immediately upon passage.

Passed this 28th day of August, 2007.



Mayor - City of Tigard

Attest:



City Recorder - City of Tigard

Exhibit A
Amended City Engineer's Report
Sanitary Sewer Reimbursement District No. 44
(SW Cherry Drive)

Background

This project will be constructed and funded under the City of Tigard Neighborhood Sewer Extension Program (NSEP). Under the program, the City of Tigard would install public sewers to each lot within the project area. At the time the property owner connects to the sewer, the owner would pay a connection fee, currently \$2,835, and reimburse the City for a fair share of the cost of the public sewer. There is no requirement to connect to the sewer or pay any fee until connection is made. In addition, property owners are responsible for disconnecting their existing septic systems according to Washington County rules and for any other modifications necessary to connect to the public sewer.

Project Area - Zone of Benefit

Serving the 19 lots in the following table will require the extension of an existing sewer in SW Cherry Drive. Extension of an existing line in Hunziker Street will be required to provide service to the lots to the north.

The proposed project would provide sewer service to a total of 19 lots within the proposed reimbursement district as shown on Exhibit Map B.

Cost

The estimated cost for the sanitary sewer construction to provide service to the 19 lots is \$408,250. Engineering and inspection fees amount to \$55,114 (13.5%) as defined in TMC 13.09.040(1). The estimated total project cost is \$463,364. This is the estimated amount that should be reimbursed to the sanitary sewer fund as properties connect to the sewer and pay their fair share of the total amount. However, the actual amount that each property owner pays is subject to the City's incentive program for early connections.

In addition to sharing the cost of the public sewer line, each property owner will be required to pay a connection and inspection fee, currently \$2,835, upon connection to the public line. All owners will be responsible for all plumbing costs required for work done on private property.

Reimbursement Rate

All properties in the proposed district are zoned R-3.5 but vary in lot size from about 16,000 to 21,000 square feet as can be seen in the following list of lots. Therefore, it is recommended that the total cost of the project be divided among the properties proportional to the square footage of each property.

Other reimbursement methods include dividing the cost equally among the owners or by the length of frontage of each property. These methods are not recommended because there is no correlation between these methods and the cost of providing service to each lot or the benefit to each lot.

Each property owner's estimated fair share of the public sewer line is \$1.33937236 per square foot of lot served. Each owner's fair share would be limited to \$6,000, to the extent that it does not exceed \$15,000, for connections completed within three years of City Council approval of the final City Engineer's Report following construction in accordance with Resolution No. 01-46 (attached). In addition to paying for the first \$6,000, owners will remain responsible for paying all actual costs that exceed \$15,000. Upon request, payment of costs that exceed \$15,000 may be deferred until the lot is developed, as provided by Resolution No. 03-55 (attached).

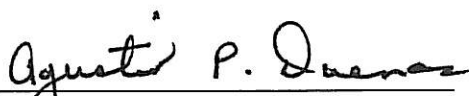
Annual Fee Adjustment

TMC 13.09.115 states that an annual percentage rate shall be applied to each property owner's fair share of the sewer line costs on the anniversary date of the reimbursement agreement. The Finance Director has set the annual interest rate at 6.05% as stated in City of Tigard Resolution No. 98-22.

Recommendation

It is recommended that a reimbursement district be formed with an annual fee increase as indicated above and that the reimbursement district continue for fifteen years as provided in Tigard Municipal Code (TMC) 13.09.110(5). Fifteen years after the formation of the reimbursement district, properties connecting to the sewer would no longer be required to pay the reimbursement fee.

Submitted August 14, 2007



Agustin P. Duenas, P.E.
City Engineer

i:\eng\2007-2008 fy cip\cherry st sanitary sewer extension dist 44\formation 8-28-07\8-28-07 reim dist 44 report ex a.doc

CHERRY DRIVE Reimbursement District No. 44

Estimated Cost to Property Owners
August 3, 2007

	OWNER	SITE ADDRESS	TAX LOT ID	AREA (S.F.)	AREA (AC)	ESTIMATED REIMBURSEMENT FEE	AMOUNT TO BE PAID BY OWNER	AMOUNT TO BE PAID BY CITY	AMOUNT THAT CAN BE DEFERRED BY OWNER
1	ELLENSON, TYLER & MARGARET	13280 SW 76TH AVE	2S101DB00619	17325.620763	0.398	\$23,205	\$14,205	\$9,000	\$8,205
2	TROTTI, LOUISE	7705 SW CHERRY ST	2S101DB00610	15309.367730	0.351	\$20,505	\$11,505	\$9,000	\$5,505
3	WILLIAMS, KENYA E	13315 SW 76TH AVE	2S101DB00615	15311.599899	0.352	\$20,508	\$11,508	\$9,000	\$5,508
4	ABBLITT, JAMES B & RANDI I	7700 SW CHERRY DR	2S101DB00607	16248.066966	0.373	\$21,762	\$12,762	\$9,000	\$6,762
5	MYERS, KENNETH E	13320 SW 76TH AVE	2S101DB00618	17508.899227	0.402	\$23,451	\$14,451	\$9,000	\$8,451
6	GUTHRIE, GEORGE DEREK & DOLORES	7665 SW FIR ST	2S101DB00609	16360.816831	0.376	\$21,913	\$12,913	\$9,000	\$6,913
7	WIDMAN, INEZ C	13355 SW 76TH AVE	2S101DB00616	15970.488490	0.367	\$21,390	\$12,390	\$9,000	\$6,390
8	BLAGGE, DIANNE E	7670 SW CHERRY DR	2S101DB00608	16346.130924	0.375	\$21,894	\$12,894	\$9,000	\$6,894
9	THACKERY, RUSS	13360 SW 76TH AVE	2S101DB00617	17945.563754	0.412	\$24,036	\$15,036	\$9,000	\$9,036
10	MAYER, KENNETH D	7650 SW CHERRY ST	2S101DC02500	16294.455266	0.374	\$21,824	\$12,824	\$9,000	\$6,824
11	POWELL, JAMES WALTER TRUST	7660 SW FIR	2S101DC02600	20048.933656	0.460	\$26,853	\$17,853	\$9,000	\$11,853
12	BRIAN, THOMAS M	7630 SW FIR	2S101DC02700	16490.424359	0.379	\$22,087	\$13,087	\$9,000	\$7,087
13	MEMOVICH, BARBARA J TR	7630 SW CHERRY ST	2S101DC02400	20428.898173	0.469	\$27,362	\$18,362	\$9,000	\$12,362
14	PAYNE, KEVIN M	7615 SW CHERRY ST	2S101DC02800	20824.338877	0.478	\$27,892	\$18,892	\$9,000	\$12,892
15	TAKAHASHI, WAYNE H	7610 SW CHERRY DRIVE	2S101DC02300	22818.110527	0.524	\$30,562	\$21,562	\$9,000	\$15,562
16	CHICK, MARIBETH A	7595 SW CHERRY ST	2S101DC02900	19383.890918	0.445	\$25,962	\$16,962	\$9,000	\$10,962
17	VANDERBURG, JOHN SCOTT	7590 SW CHERRY DRIVE	2S101DC02200	25503.694437	0.585	\$34,159	\$25,159	\$9,000	\$19,159
18	EDWARDS, GREGORY L	7545 SW CHERRY ST	2S101DC03000	20524.595381	0.471	\$27,490	\$18,490	\$9,000	\$12,490
19	FREZZA, CONRAD NICHOLAS & APRIL	13275 SW 76TH AVE	2S101DB00614	15311.98773	0.352	\$20,508	\$11,508	\$9,000	\$5,508
	Totals			345956	7.94	\$463,364	\$292,364	\$171,000	\$178,364

The "ESTIMATED REIMBURSEMENT FEE" column shows the estimated reimbursement fee for each lot. There are no requirements to connect to the sewer or pay any fees until the owner decides to connect to the sewer. The final reimbursement fee will be determined once construction is complete and final costs are determined.

In accordance with Resolution No. 01-46, each property owner will be required to pay the first \$6,000 of the final reimbursement fee for connections completed within the first three years of City Council's approval of the final City Engineer's Report following construction. The "AMOUNT TO BE PAID BY CITY" column shows that portion of the reimbursement fee that the owners will not be required to pay if they connect to the sewer during this three year period.

This resolution also requires owners to pay any fair share amount that exceed \$15,000. Consequently, if the final fair share for an owner exceeds \$15,000, the owner would be required to pay \$6,000 plus that amount of the fair share that exceeds \$15,000. Under Resolution No. 03-55, payment of the amount in excess of \$15,000 may be deferred until the owner's lot is developed. This amount is shown in the "AMOUNT THAT CAN BE DEFERRED BY OWNER" column.

In addition to the reimbursement fee, the owners will also be required to pay a connection fee, currently \$2,835, at the time of connection to the sewer. In addition, property owners are responsible for disconnecting their existing septic system according to Washington County rules and for any other modifications necessary to connect to the public sewer.

CHERRY DRIVE
Reimbursement District No. 44

Estimated Cost to Property Owners

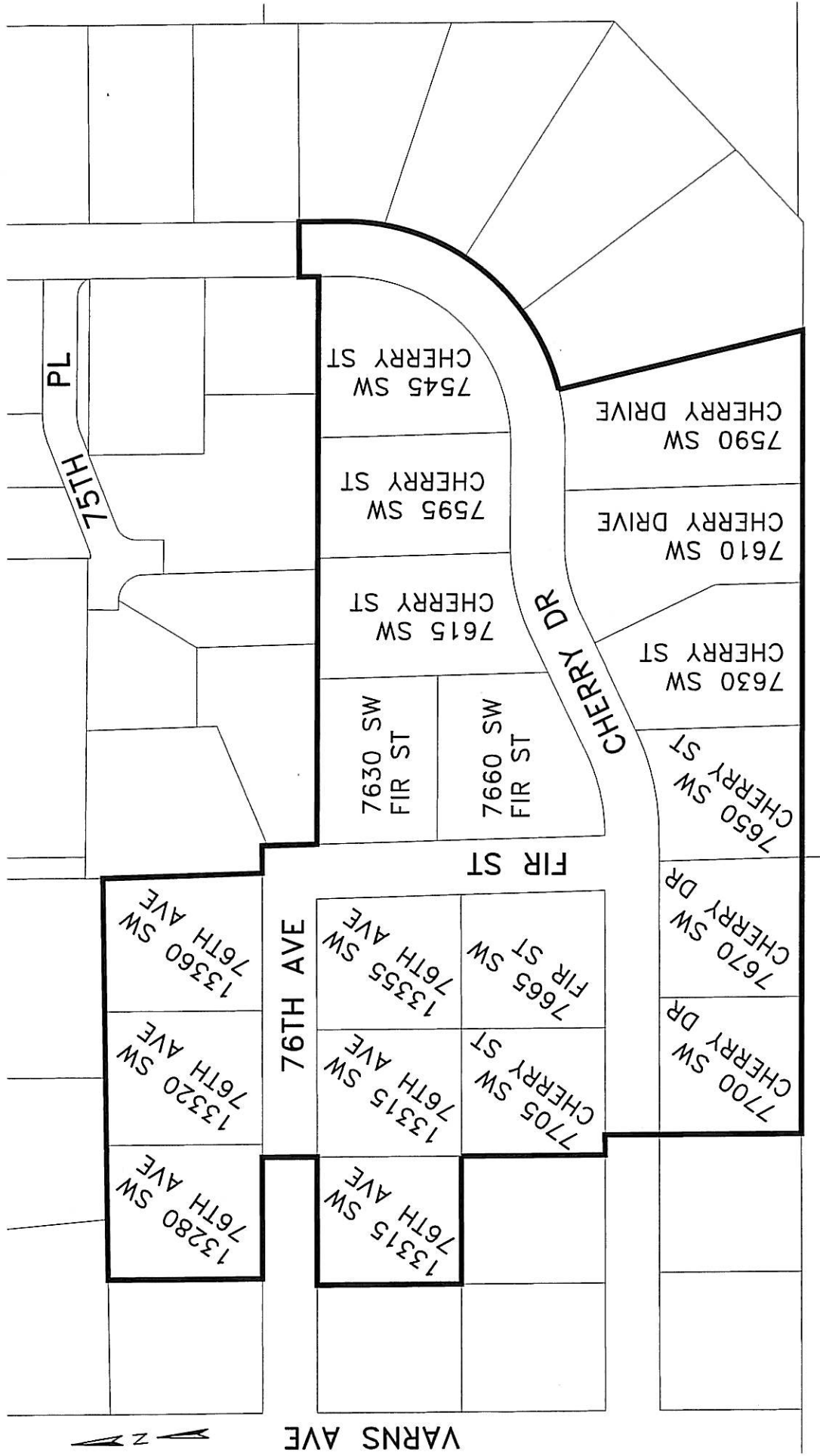
Summary

August 3, 2007

Estimated Construction Cost	\$355,000
15% contingency (construction)	\$53,250
Estimated construction subtotal	\$408,250
13.5% contingency (Admin & Eng)	\$55,114
total project costs	\$463,364
total area to be served (S.F.)	345,956
total cost per S.F. to property owner	\$1.33937236

CHERRY DRIVE
 FY 2006-07 SANITARY SEWER EXTENSION PROGRAM
 REIMBURSEMENT DISTRICT NO. 44

A PORTION OF THE SW 1/4 SECTION 1 T2S R1W W.M.



NOTE:

All properties in the reimbursement district are zoned R-3.5

EXHIBIT B
 NTS

Old Exhibits A and B – Not approved.

Exhibit A
City Engineer's Report
Sanitary Sewer Reimbursement District No. 44
(SW Cherry Drive)

Attachment 2

Background

This project will be constructed and funded under the City of Tigard Neighborhood Sewer Extension Program (NSEP). Under the program, the City of Tigard would install public sewers to each lot within the project area. At the time the property owner connects to the sewer, the owner would pay a connection fee, currently \$2,835, and reimburse the City for a fair share of the cost of the public sewer. There is no requirement to connect to the sewer or pay any fee until connection is made. In addition, property owners are responsible for disconnecting their existing septic systems according to Washington County rules and for any other modifications necessary to connect to the public sewer.

Project Area - Zone of Benefit

Serving the 23 lots in the following table will require the extension of an existing sewer in SW Cherry Drive. Extension of an existing line in Hunziker Street will be required to provide service to the lots to the north.

The proposed project would provide sewer service to a total of 23 lots within the proposed reimbursement district as shown on Exhibit Map B.

Cost

The estimated cost for the sanitary sewer construction to provide service to the 23 lots is \$442,787. Engineering and inspection fees amount to \$59,776 (13.5%) as defined in TMC 13.09.040(1). The estimated total project cost is \$502,563. This is the estimated amount that should be reimbursed to the sanitary sewer fund as properties connect to the sewer and pay their fair share of the total amount. However, the actual amount that each property owner pays is subject to the City's incentive program for early connections.

In addition to sharing the cost of the public sewer line, each property owner will be required to pay a connection and inspection fee, currently \$2,835, upon connection to the public line. All owners will be responsible for all plumbing costs required for work done on private property.

Reimbursement Rate

All properties in the proposed district are zoned R-3.5 but vary in lot size from about 16,000 to 32,000 square feet as can be seen in the following list of lots. Therefore, it is recommended that the total cost of the project be divided among the properties proportional to the square footage of each property.

Other reimbursement methods include dividing the cost equally among the owners or by the length of frontage of each property. These methods are not recommended because there is no correlation between these methods and the cost of providing service to each lot or the benefit to each lot.

Each property owner's estimated fair share of the public sewer line is \$1.117675 per square foot of lot served. Each owner's fair share would be limited to \$6,000, to the extent that it does not exceed \$15,000, for connections completed within three years of City Council approval of the final City Engineer's Report following construction in accordance with Resolution No. 01-46 (attached). In addition to paying for the first \$6,000, owners will remain responsible for paying all actual costs that exceed \$15,000. Upon request, payment of costs that exceed \$15,000 may be deferred until the lot is developed, as provided by Resolution No. 03-55 (attached).

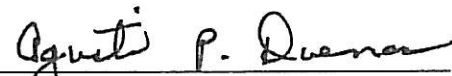
Annual Fee Adjustment

TMC 13.09.115 states that an annual percentage rate shall be applied to each property owner's fair share of the sewer line costs on the anniversary date of the reimbursement agreement. The Finance Director has set the annual interest rate at 6.05% as stated in City of Tigard Resolution No. 98-22.

Recommendation

It is recommended that a reimbursement district be formed with an annual fee increase as indicated above and that the reimbursement district continue for fifteen years as provided in Tigard Municipal Code (TMC) 13.09.110(5). Fifteen years after the formation of the reimbursement district, properties connecting to the sewer would no longer be required to pay the reimbursement fee.

Submitted July 9, 2007


Agustin P. Duenas, P.E.
City Engineer

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CHERRY DRIVE
Reimbursement District No. 44
Estimated Cost to Property Owners
June 6, 2007

	OWNER	SITE ADDRESS	TAX LOT ID	AREA (S.F.)	AREA (AC)	ESTIMATED REIMBURSEMENT FEE	AMOUNT TO BE PAID BY OWNER	AMOUNT TO BE PAID BY CITY	AMOUNT THAT CAN BE DEFERRED BY OWNER
1	ELLENSON, TYLER & MARGARET	13280 SW 76TH AVE	2S101DB00619	17325.620763	0.398	\$19,364	\$10,364	\$9,000	\$4,364
2	TROTTI, LOUISE	7705 SW CHERRY ST	2S101DB00610	15309.367730	0.351	\$17,111	\$6,111	\$9,000	\$2,111
3	WILLIAMS, KENYA E	13315 SW 76TH AVE	2S101DB00615	15311.598999	0.352	\$17,113	\$8,113	\$9,000	\$2,113
4	ABBLITT, JAMES B & RANDI I	7700 SW CHERRY DR	2S101DB00607	16248.066886	0.373	\$18,160	\$9,160	\$9,000	\$3,160
5	MYERS, KENNETH E	13320 SW 76TH AVE	2S101DB00618	17508.899227	0.402	\$19,569	\$10,569	\$9,000	\$4,569
6	GUTHRIE, GEORGE DEREK & DOLORES	7665 SW FIR ST	2S101DB00609	16360.816831	0.376	\$18,286	\$9,286	\$9,000	\$3,286
7	WIDMAN, INEZ C	13355 SW 76TH AVE	2S101DB00616	15970.488490	0.367	\$17,850	\$8,850	\$9,000	\$2,850
8	BLAGGE, DIANNE E	7670 SW CHERRY DR	2S101DB00608	16346.130924	0.375	\$18,270	\$9,270	\$9,000	\$3,270
9	WILKINS, BRUCE ALLEN	13360 SW 76TH AVE	2S101DB00617	17945.563754	0.412	\$20,057	\$11,057	\$9,000	\$5,057
10	MAYER, KENNETH D	7650 SW CHERRY ST	2S101DC02500	16294.455266	0.374	\$18,212	\$9,212	\$9,000	\$3,212
11	POWELL, JAMES WALTER TRUST	7660 SW FIR	2S101DC02600	20048.933656	0.460	\$22,408	\$13,408	\$9,000	\$7,408
12	BRIAN, THOMAS M	7630 SW FIR	2S101DC02700	16490.424369	0.379	\$18,431	\$9,431	\$9,000	\$3,431
13	MEMOVICH, BARBARA J TR	7615 SW CHERRY ST	2S101DC02400	20428.898173	0.469	\$22,833	\$13,833	\$9,000	\$7,833
14	PAYNE, KEVIN M	7610 SW CHERRY ST	2S101DC02800	20824.338877	0.478	\$23,275	\$14,275	\$9,000	\$9,275
15	TAKAHASHI, WAYNE H	7595 SW CHERRY DRIVE	2S101DC02300	22818.110527	0.524	\$25,503	\$16,503	\$9,000	\$10,503
16	CHICK, MARIBETH A	7570 SW CHERRY ST	2S101DC02900	19363.890918	0.445	\$21,665	\$12,665	\$9,000	\$6,665
17	VANDEBURG, JOHN SCOTT	7590 SW CHERRY DRIVE	2S101DC02200	25503.694437	0.585	\$28,505	\$19,505	\$9,000	\$13,505
18	EDWARDS, GREGORY L	7545 SW CHERRY ST	2S101DC03000	20524.595381	0.471	\$22,940	\$13,940	\$9,000	\$7,940
19	STEWART, MARTIN D & CARLA E	7570 SW CHERRY DRIVE	2S101DC02100	32231.687853	0.740	\$36,025	\$27,025	\$9,000	\$21,025
20	WIDMAN, THOMAS G	7550 SW CHERRY DRIVE	2S101DC02000	28308.678315	0.650	\$31,640	\$22,640	\$9,000	\$16,640
21	HERMANSON, PATRICIA M	7530 SW CHERRY DRIVE	2S101DC01900	23398.320887	0.537	\$26,152	\$17,152	\$9,000	\$11,152
22	CHEMARIN, LISA M	7510 SW CHERRY DRIVE	2S101DC01800	19755.824551	0.454	\$22,081	\$13,081	\$9,000	\$7,081
23	FREZZA, CONRAD NICHOLAS & APRIL	13275 SW 76TH AVE	2S101DB00614	15311.98773	0.352	\$17,114	\$8,114	\$9,000	\$2,114
	Totals			449650	10.32	\$502,563	\$295,563	\$207,000	\$157,563

The "ESTIMATED REIMBURSEMENT FEE" column shows the estimated reimbursement fee for each lot. There are no requirements to connect to the sewer or pay any fees until the owner decides to connect to the sewer. The final reimbursement fee will be determined once construction is complete and final costs are determined.

In accordance with Resolution No. 01-46, each property owner will be required to pay the first \$6,000 of the final reimbursement fee for connections completed within the first three years of City Council's approval of the final City Engineer's Report following construction. The "AMOUNT TO BE PAID BY CITY" column shows that portion of the reimbursement fee that the owners will not be required to pay if they connect to the sewer during this three year period.

This resolution also requires owners to pay any fair share amount that exceed \$15,000. Consequently, if the final fair share for an owner exceeds \$15,000, the owner would be required to pay \$6,000 plus that amount of the fair share that exceeds \$15,000. Under Resolution No. 03-55, payment of the amount in excess of \$15,000 may be deferred until the owner's lot is developed. This amount is shown in the "AMOUNT THAT CAN BE DEFERRED BY OWNER" column.

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CHERRY DRIVE
Reimbursement District No. 44

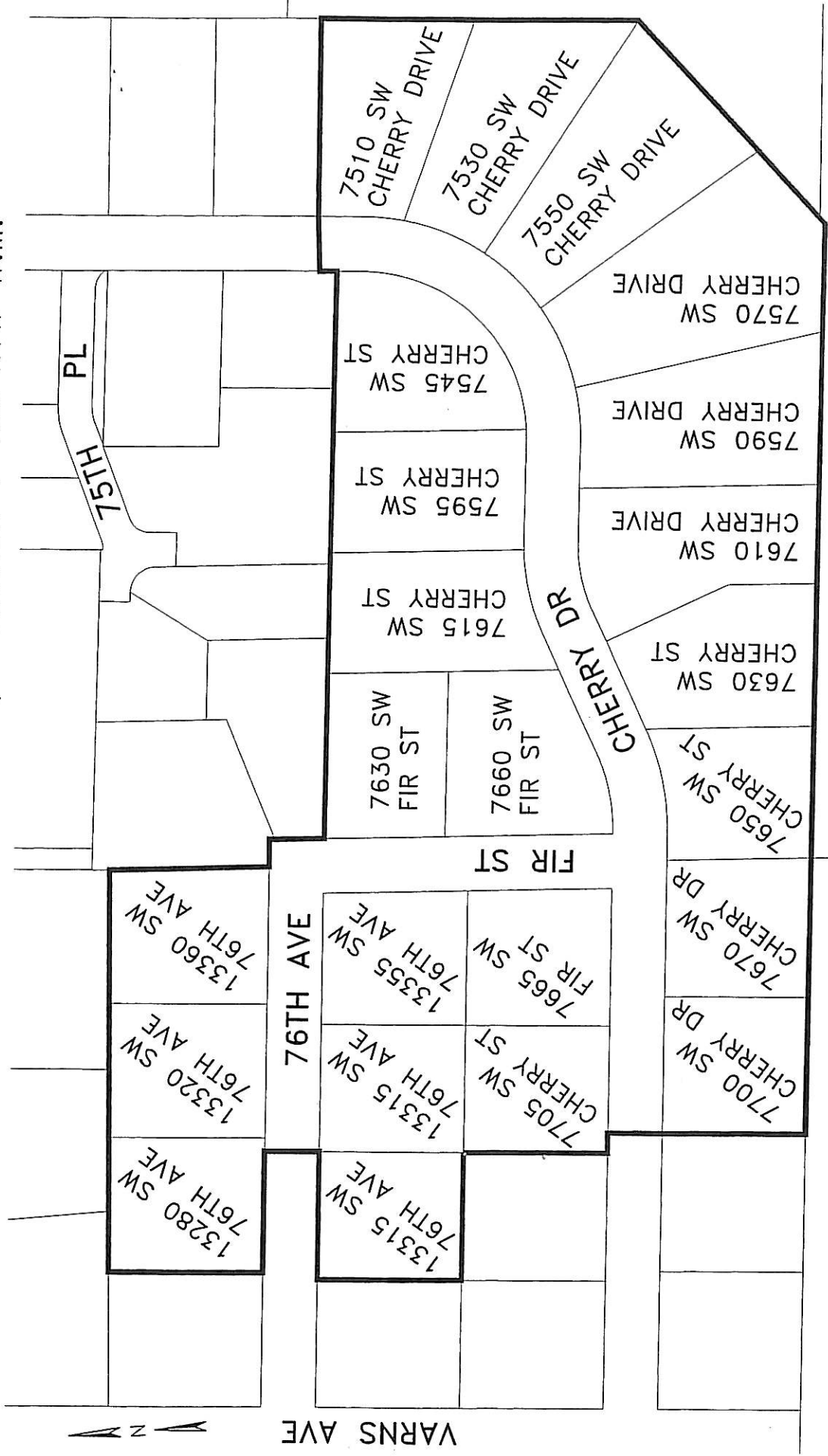
Estimated Cost to Property Owners

Summary

June 6, 2007

Estimated Construction Cost	\$385,032
15% contingency (construction)	\$57,755
Estimated construction subtotal	\$442,787
13.5% contingency (Admin & Eng)	\$59,776
total project costs	\$502,563
total area to be served (S.F.)	449,650
total cost per S.F. to property owner	\$1.11767500

CHERRY DRIVE
 FY 2006-07 SANITARY SEWER EXTENSION PROGRAM
 REIMBURSEMENT DISTRICT NO. 44
 A PORTION OF THE SW 1/4 SECTION 1 T2S R1W W.M.



NOTE:
 All properties in the reimbursement district are zoned R-3.5

EXHIBIT B
 NTS